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BOARD OF SUPERVISORS

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May 21, 2013

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

# ADOPTED

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

28 June 11, 2013

*Sachi A. Hamai*  
SACHI A. HAMAI  
EXECUTIVE OFFICER

## **APPROVAL TO AMEND FIVE CERTIFIED NEEDLE EXCHANGE PROGRAM SERVICE AGREEMENTS TO EXTEND THE TERM EFFECTIVE JULY 1, 2013 THROUGH JUNE 30, 2014 (ALL SUPERVISORIAL DISTRICTS) (3 VOTES)**

### **SUBJECT**

Request approval to amend certified needle exchange program service agreements with five agencies to extend the term of the agreements through June 30, 2014.

### **IT IS RECOMMENDED THAT THE BOARD:**

1. Approve and authorize the Director of the Department of Public Health (DPH), or his designee, to execute amendments to the certified needle exchange program (NEP) service agreements (substantially similar to Exhibit I) with Asian American Drug Abuse Program (Contract Number PH-001103); Bienestar Human Services, Inc. (Contract Number PH-001102); Common Ground The Westside HIV Community Center (Contract Number PH-001104); Public Health Foundation Enterprises, Inc. representing Clean Needles Now (Contract Number PH-001110); and Tarzana Treatment Center, Inc. (Contract Number PH-001111), that extend the term effective July 1, 2013 through June 30, 2014, at an annual maximum obligation of \$100,000 per agreement; 100 percent offset by Tobacco Master Settlement Agreement (TMSA) funds.
2. Delegate authority to the Director of DPH, or his designee, to execute amendments to the NEP contracts that extend the term month-to-month for a period of up to six months to complete a solicitation process; allow the rollover of unspent contract funds; and/or provide an increase or decrease in funding up to 10 percent above or below each term's annual base maximum obligation, effective upon amendment execution, and make corresponding service adjustments, as necessary, subject to review and approval by County Counsel, and notification to your Board and the Chief

Executive Office.

3. Delegate authority to the Director of DPH, or his designee, to execute change notices to the NEP contracts that authorize modifications to or within budget categories within the budget, up to an adjustment between all budget categories equal to 10 percent of each term's annual base maximum obligation, and corresponding service adjustments, as necessary; changes to hours of operation and/or service locations; and/or corrections of errors in the contract's terms and conditions.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The risk of contracting the Human Immunodeficiency Virus (HIV) and other blood borne pathogens, such as Hepatitis B and C, presents a serious threat to injection drug users (IDUs). Research shows that NEP is an effective method of intervention to prevent the spread of such bloodborne pathogens among IDUs and their sexual and needle sharing partners. NEPs provide controlled access to clean needles which helps to prevent further transmission of blood borne pathogens. In addition, NEPs serve as an important venue for providing the IDU population with information and referrals to other available medical and social services, including access to drug treatment services.

Approval of Recommendation 1 will allow DPH to extend the term of five contracts to continue to provide NEP services to IDUs residing within Los Angeles County (County), particularly in the following identified priority areas: the Antelope Valley, East Los Angeles, the San Fernando Valley, the San Gabriel Valley, the South Bay (excluding the City of Long Beach), and South Los Angeles.

Further, approval of Recommendation 1 will allow NEP services to continue to be provided at the following service locations: 1) a street-based site operating from an open-air street location (parking lot, alley, etc.) or from a mobile van during specific operating hours each week; 2) a contractor agency-based site; 3) a clinic-based site; and 4) a partner program-based site concurrently providing additional services including, but not limited to, street outreach and HIV or sexually transmitted disease prevention and risk reduction services as identified in Exhibit II.

Approval of Recommendation 2 will allow DPH to execute amendments to extend the term of the contracts; rollover unspent funds; and/or increase or decrease funding up to 10 percent above or below the annual base maximum obligation, effective upon amendment execution, and make corresponding service adjustments, as necessary. This recommended action will enable DPH to amend contracts to adjust the term for a period of up to six months beyond the expiration date to complete a solicitation process.

Approval of Recommendation 3 will allow DPH to execute change notices to the NEP contracts that authorize modifications to or within budget categories within the budget, up to an adjustment between all budget categories equal to 10 percent of each term's annual base maximum obligation, and corresponding service adjustments, as necessary; changes to hours of operation and/or service locations; and/or corrections of errors in the contract's terms and conditions.

### **Implementation of Strategic Plan Goals**

The recommended actions support Goal 3, Integrated Services Delivery, of the County's Strategic Plan.

### **FISCAL IMPACT/FINANCING**

The total cost of the five amendments is \$500,000 (\$100,000 per agreement) for the one-year period

of July 1, 2013 through June 30, 2014; 100 percent offset by TMSA funds.

There is no net County cost associated with this action.

Funding for these amendments is included in DPH's Proposed Budget for fiscal year (FY) 2013-14 and will be included in future FY's, as necessary.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

On August 29, 2000, your Board instructed the Department of Health Services (DHS) to develop a plan to review procedures and certify the operation of NEPs located within the County. This action was taken in response to the public health crisis of increased transmission of HIV and hepatitis due to needle sharing among IDUs as well as the considerable number of published studies indicating the efficacy of needle exchange as an effective risk reduction intervention.

On August 2, 2005, your Board approved the use of \$500,000 in TMSA funds, as allowed for health related projects, to support DHS' institution of a NEP certification process.

In 2006, DHS (now DPH) wrote and disseminated the County of Los Angeles Policies and Procedures for Certified Needle Exchange Programs Manual. This manual outlined the requirements a provider must meet in order to become a certified NEP provider including: 1) obtain local community and law enforcement approval to operate a NEP service site within the community; 2) limit distribution of needles to registered IDUs who participate in the agency's programs and maintain records of such distribution; 3) provide safe containers for needle disposal, as clean needles are exchanged for used needles on a one to one basis; and 4) develop procedures for handling accidental needle sticks. Certification is issued upon verification by DPH that a provider is in compliance with all requirements as outlined in the manual.

On March 13, 2007, your Board approved the award of certified NEP agreements with five agencies identified through a Request for Proposals, effective on the date of execution through March 12, 2008, or a period of 12 months, whichever was greater, at a total cost of \$500,000, 100 percent offset by TMSA funds. Subsequently on June 10, 2008, your Board approved amendments to extend the term of the five certified NEP agreements through October 31, 2008, with provision for month-to-month automatic renewals through June 30, 2009.

On December 15, 2009, DPH released a Request for Application which was limited to agencies that had previously been certified to provide needle exchange services under DPH's Needle Exchange Certification program and had three or more years of experience providing NEP services. All five agencies who met the certification requirements submitted applications.

On March 9, 2010, your Board approved execution of new certified NEP agreements with the five agencies: Asian American Drug Abuse Program; Bienestar Human Services, Inc.; Public Health Foundation Enterprises, Inc. representing Clean Needles Now; Common Ground The Westside HIV Community Center; and Tarzana Treatment Center, Inc., effective upon execution through June 30, 2011. Most recently on May 31, 2011, your Board approved amendments to extend the term of the five certified NEP agreements effective July 1, 2011 through June 30, 2013 at an annual maximum obligation of \$100,000 per agreement, 100 percent offset by TMSA funds.

County Counsel has approved Exhibit I as to form. Exhibit II outlines the NEP service provider's modality and sites where services will be provided.

**CONTRACTING PROCESS**

On May 31, 2011, DPH informed your Board that a solicitation process for these services would be initiated during July 1, 2011 through June 30, 2013. During this period, administration of the NEP services, which included the solicitation process, was scheduled to be transferred to DPH's Division of HIV and STD Programs. However, in December 2011, federal law re-instituted the ban on syringe exchange programs from using federal funds (including payments for personnel, vehicles, and administrative costs related to syringe exchange programs). Based on this federal law and its restrictions, it was decided that the administration of NEP would not be transferred so as to not jeopardize the continuation of these services.

In preparation for releasing a solicitation, DPH is currently exploring additional harm reduction strategies and is refining the language of the proposal requirements to allow for these new methods. DPH anticipates these changes will be completed by the end of the current FY in order to release a solicitation during FY 2013-14.

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Approval of the recommended actions will allow for the continued provision of NEP services throughout the County, offering IDUs a clean needle alternative to prevent the transmission of blood borne diseases, including HIV and other blood borne pathogens (e.g., Hepatitis B and C).

Respectfully submitted,



JONATHAN E. FIELDING, M.D., M.P.H.  
Director and Health Officer

JEF:ld

Enclosures

c: Chief Executive Officer  
County Counsel  
Executive Officer, Board of Supervisors

Contract Number: XXXXXX

**CERTIFIED NEEDLE EXCHANGE PROGRAM SERVICES AGREEMENT**

Amendment Number 3

THIS AMENDMENT is made and entered into this \_\_\_\_\_ day  
of \_\_\_\_\_, 2013,

by and between

COUNTY OF LOS ANGELES  
(hereafter "County"),

and

XXXXXXXXXXXXXXXXX (hereafter  
"Contractor").

WHEREAS, reference is made to that certain document entitled "CERTIFIED NEEDLE EXCHANGE PROGRAM SERVICES AGREEMENT," dated XXXXXXXX, and further identified as County Agreement No. PH-XXXXXX and any amendments thereto, (all hereafter "Agreement"); and

WHEREAS, it is the intent of the parties to amend Agreement to extend the term and increase the maximum obligation of the County, and make other hereafter designated changes; and

WHEREAS, said Agreement provides that changes may be made in the form of a written amendment which is formally approved and executed by the parties; and

WHEREAS, the amendment format has been approved by County Counsel.

NOW, THEREFORE, the parties hereto agree as follows:

1. This Amendment shall be effective July 1, 2013
2. Paragraph 1, TERM, first subparagraph, shall be revised to read as

follows:

“1. TERM: The term of this Agreement shall commence on May 4, 2010, and unless sooner canceled or terminated as provided herein, shall continue in full force and effect through June 30, 2104.”

3. Paragraph 2, DESCRIPTION OF SERVICES, Subparagraph A, shall be revised to read as follows:

“A. Contractor shall provide services in the manner and form as described in the body of this Agreement and in Exhibit A, Attachments A, B, C, and D, and Schedules 1, A, B, C, and D, which are attached hereto and incorporated herein by reference.”

4. Paragraph 3, MAXIMUM OBLIGATION OF COUNTY, shall be revised to read as follows:

“3. MAXIMUM OBLIGATION OF COUNTY:

A. During the period of May 4, 2010 through June 30, 2010, the maximum obligation of County for all services provided under this Agreement shall not exceed Eighty Thousand Dollars (\$80,000), as set forth in “Schedule 1”, attached hereto and incorporated herein by reference.

B. During the period of July 1, 2010 through June 30, 2011, the

maximum obligation of County for all services provided under this Agreement shall not exceed One Hundred Thousand Dollars (\$100,000), as set forth in "Schedule A", attached hereto and incorporated herein by reference.

C. During the period of July 1, 2011 through June 30, 2012, the maximum obligation of County for all services provided under this Agreement shall not exceed One Hundred Thousand Dollars (\$100,000), as set forth in "Schedule B", attached hereto and incorporated herein by reference.

D. During the period of July 1, 2012 through June 30, 2013, the maximum obligation of County for all services provided under this Agreement shall not exceed One Hundred Thousand Dollars (\$100,000), as set forth in "Schedule C", attached hereto and incorporated herein by reference.

E. During the period of July 1, 2013 through June 30, 2014, the maximum obligation of County for all services provided under this Agreement shall not exceed One Hundred Thousand Dollars (\$100,000), as set forth in "Schedule D", attached hereto and incorporated herein by reference.

F. Contractor shall use such funds only to pay for services and only to the extent such funds are reimbursable to County by its grantees. County shall only be obligated to pay Contractor for actual

reimbursable costs, as listed in the Schedule(s) attached hereto and incorporated herein by reference, incurred by Contractor in performing services pursuant to this Agreement.”

5. Paragraph 5, BILLING AND PAYMENT, Subparagraphs A and B shall be revised to read as follows:

“A. County agrees to compensate Contractor in accordance with the payment structure set forth in the Exhibit(s) and Schedule(s), attached hereto and incorporated herein by reference.

B. Contractor shall bill DPH monthly in arrears for all services provided by Contractor at its County approved site and service area, during the preceding calendar month. Contractor further shall submit billings according to the terms set forth in the payment requirements paragraph of the Exhibit(s).”

6. Paragraph 11, GENERAL PROVISIONS FOR ALL INSURANCE COVERAGES, Subparagraphs C, and D shall be revised to read as follows:

“C. Cancellation of Insurance: Contractor shall provide County with, or Contractor's insurance policies shall contain a provision that County shall receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to County at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change. Failure to provide

written notice of cancellation or any change in Required Insurance may constitute a material breach of the Agreement, in the sole discretion of the County, upon which the county may suspend or terminate this Agreement.

D. Failure to Maintain Insurance: Contractor's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the Agreement, upon which County immediately may withhold payments due to Agreement, and/or suspend or terminate this Agreement. County, at its sole discretion, may obtain damages from Contractor resulting from said breach. Alternatively, the County may purchase the Required Insurance, and without further notice to Contractor, deduct the premium cost from sums due to Contractor or pursue Contractor reimbursement.”

7. Effective on the date of this Amendment, Attachment D and Schedule D shall be attached hereto and incorporated herein by reference.

8. Except for the changes set forth hereinabove, Agreement shall not be changed in any respect by this Amendment.

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its Director of Public Health, and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
Jonathan E. Fielding, M.D., M.P.H.  
Director and Health Officer

\_\_\_\_\_  
Contractor

By \_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

Title \_\_\_\_\_  
(AFFIX CORPORATE SEAL)

APPROVED AS TO FORM  
BY THE OFFICE OF THE COUNTY COUNSEL  
JOHN F. KRATTLI  
County Counsel

APPROVED AS TO CONTRACT  
ADMINISTRATION:

Department of Public Health

By \_\_\_\_\_  
Patricia Gibson, Chief  
Contracts and Grants Division

LAC Department of Public Health Certified Needle Exchange Program  
 ATTACHMENT D – SCOPE OF WORK (07/01/13 – 06/30/14)

**NOTE: A completed program Scope of Work (SOW) worksheet is required each needle exchange location.**

<b>NEP Site:</b>		<b>Agency Name:</b>	
<b>Type of Service:</b> <input type="checkbox"/> Street-base <input type="checkbox"/> Agency <input type="checkbox"/> Clinic <input type="checkbox"/> Partnership		<b>Target Service Planning Area:</b>	
<b>Program Goal(s):</b>			
<b>Program Objective:</b>	<b>Monthly Estimate</b>	<b>FY2013-2014 Estimate</b>	<b>Method(s) of evaluating and documenting objectives</b>
<b>1) Number of clients</b>			
<b>2) Number of encounters</b>			
<b>3) Number and types of DIRECT services to be provided to NEP clients:</b>			
Abscess care / wound care			
Abscess care prevention education			
Case management			
Drug detoxification			
Drug use counseling			
Drug treatment			
Hepatitis C testing			
HIV testing and counseling			
HIV/AIDS services			
HIV/HCV prevention education			
Legal counseling			
Mental health counseling			
Overdose prevention			
Primary health care			
Public benefit counseling			
Recreational/creative activities			
Safe injection instruction			
STD Testing			
User advocacy			
Other: <i>(Please specify below)</i>			

LAC Department of Public Health Certified Needle Exchange Program  
 ATTACHMENT D – SCOPE OF WORK (07/01/13 – 06/30/14)

<p><b>4) Number and types of LINKED REFERRAL services to be provided to NEP clients: (Please indicate how linked referrals will be documented)</b></p>	<table border="1"> <tr><td>Abscess care / wound care</td><td></td></tr> <tr><td>Abscess care prevention education</td><td></td></tr> <tr><td>Case management</td><td></td></tr> <tr><td>Drug detoxification</td><td></td></tr> <tr><td>Drug use counseling</td><td></td></tr> <tr><td>Drug treatment</td><td></td></tr> <tr><td>Hepatitis C testing</td><td></td></tr> <tr><td>HIV testing and counseling</td><td></td></tr> <tr><td>HIV/AIDS services</td><td></td></tr> <tr><td>HIV/HCV prevention education</td><td></td></tr> <tr><td>Legal counseling</td><td></td></tr> <tr><td>Mental health counseling</td><td></td></tr> <tr><td>Overdose prevention training</td><td></td></tr> <tr><td>Primary health care</td><td></td></tr> <tr><td>Public benefit counseling</td><td></td></tr> <tr><td>Recreational/creative activities</td><td></td></tr> <tr><td>Safe injection instruction</td><td></td></tr> <tr><td>STD Testing</td><td></td></tr> <tr><td>User advocacy</td><td></td></tr> <tr><td>Other: (Please specify below)</td><td></td></tr> </table>	Abscess care / wound care		Abscess care prevention education		Case management		Drug detoxification		Drug use counseling		Drug treatment		Hepatitis C testing		HIV testing and counseling		HIV/AIDS services		HIV/HCV prevention education		Legal counseling		Mental health counseling		Overdose prevention training		Primary health care		Public benefit counseling		Recreational/creative activities		Safe injection instruction		STD Testing		User advocacy		Other: (Please specify below)			
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Other: (Please specify below)																																											
<p><b>5) Number and types of other needle exchange-related activities such as community outreach, workshop, and staff training, etc. (Please list each activity below and provide estimates for each.)</b></p>																																											

COUNTY OF LOS ANGELES - DEPARTMENT OF PUBLIC HEALTH  
 CERTIFIED NEEDLE EXCHANGE PROGRAM

**SCHEDULE D - FY 2013-2014 PROPOSED PROGRAM BUDGET**

Agency Name: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 \_\_\_\_\_

Program start date: 07/01/13  
 Program end date: 06/30/13

**A. Salaries and Employee Benefits**

Positions	Name	Full Time Equivalent (FTE) Annual Salary	% of Time	No.of Months	Cost
Position 1					
Position 2					
Position 3					
Position 4					
Position 5					
Subtotal Positions					
Benefits calculated at _____%					
Total Salaries and benefits					

**B. Facilities /Supplies**

Facility and Mileage					
Rent					
Telephone					
Utilities					
Local					
Subtotal Facility Cost					
Syringes					
Alcohol Pads					
Cottons					
Other Prevention Supplies					
Subtotal Supply Cost					
Total Facility and Supply Cost					

**C. Indirect Cost – Calculated at \_\_\_\_\_%**

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**D. Contractor**

Position					
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**E. Total Budget**

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**F. Cost per month**

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**EXHIBIT II**

<b>Los Angeles County Certified Needle Exchange Program Service Providers</b> <b>FY 2013-2014</b>	
<i>Provider Agency</i>	<i>Needle Exchange Program Modality and Site</i>
<b>Asian American Drug Abuse Program</b>	<ul style="list-style-type: none"> <li>• Clinic-Based (SPA 6): BAART Lynwood, 11315 Atlantic, Lynwood, CA 90262</li> <li>• Street-Based NEP (SPA 6): Another Chance Ministry, 431 W. Compton Ave. Compton, CA 90220</li> <li>• Clinic-Based (SPA 8): Lawndale Mental and Health Services, 4023 Marine Ave. Lawndale, CA 90260</li> </ul>
<b>Bienestar Human Services, Inc.</b>	<ul style="list-style-type: none"> <li>• Agency-Based NEP (SPA 3&amp;4): East Los Angeles Office, 5326 E. Beverly Blvd. Los Angeles, CA 90022</li> </ul>
<b>Common Ground (The Westside HIV Community Center)</b>	<ul style="list-style-type: none"> <li>• Clinic-Based (SPA 6): Inglewood Medical and Mental Health, 4450 W. Century Blvd. Inglewood, CA 90304</li> </ul>
<b>Public Health Foundation Enterprises, Inc., representing Clean Needles Now</b>	<ul style="list-style-type: none"> <li>• Clinic-Based (SPA6): SPECTRUM Clinic, 1748 E. 120<sup>th</sup> Street, Watts, CA 90059</li> <li>• Street-Based NEP (SPA 6): Mt. Olive 2<sup>nd</sup> Missionary Baptist Church, 9401 Zamora Ave., Los Angeles, CA 9002</li> </ul>
<b>Tarzana Treatment Centers, Inc.</b>	<ul style="list-style-type: none"> <li>• Street-Based NEP (SPA 2): 22127 Sierra Highway, Sylmar, CA 91342</li> <li>• Street-Based NEP (SPA 2): 6800 Block of Eton Ave., Canoga Park 91303</li> <li>• Street-Based NEP (SPA 2): 12178 San Fernando Rd. Sylmar, CA 91342</li> </ul>